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Automotive News

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27.5-MPG rule could cost billions, FTC says

By Helen Kahn
Washington Bureau Chief

WASHINGTON—The 27.5 MPG passenger-car CAFE standard could cost consumers and producers $3 billion to $3.5 billion in the short run and result in the loss of 130,000 jobs, according to an FTC study.

But, the study added, over time, General Motors and Ford Motor Co. might devise less costly means to meet the more stringent standard.

They may find other ways than cutting production and raising prices of large cars and upping production and reducing prices of small cars.

In the long term, if the auto makers build cars to meet the more stringent standard, the costs to consumers and producers "may abate but may not disappear," the study said.

Because the short-term effects could be severe, the FTC staff and the Commerce Department separately told NHTSA that CAFE standards should be lowered to 26 MPG for the 1987 and 1988 model years. In expressing that view, FTC and Commerce joined GM, Ford and virtually every maker except Chrysler Corp.

The standard is 26 MPG for the 1986 model year, but it will go back to 27.5 MPG for 1987 unless NHTSA acts.

The study concluded that: "Overall, the deadweight loss to consumers and producers and the output losses caused by the temporary unemployment generated by the higher CAFE standard would range between a low of $3.0 billion and a high of $3.5 billion."

Dead-weight loss means the "consumer loss not captured by domestic producers in the form of higher profits." The dead-

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GM calls in troops on CAFE

General Motors last week sent letters to 200,000 shareholders, employes and retirees, asking them to write their congressmen and DOT in support of an eased 1987-88 CAFE standard. The cost to GM was an estimated $200,000.

Each hand-stamped letter had an inside address and personal salutation and listed the name and address of the recipient's U.S. senators and representative.

In the letter, GM said that unless CAFE relief is granted, it may have to drop production of many of its larger cars, at a cost of U.S. jobs.

Dealerships for imports at peak level

By Edward Lapham
Marketing Editor

There were 17,966 dealerships selling imported cars at the end of 1985, the highest total ever, according to the annual Automotive News census.

The 17,966 imported outlets on Jan. 1 surpassed the old record of 17,700 on Jan. 1, 1978, when Volkswagen and Renault were still included in the import dealer outlet category.

On Jan. 1 1985, there were 12,427 dealerships selling imports, and on July 1, 1985 there were 15,576 import outlets.

The big jump last year came in the captive-import segment, as all 5,050 Chevrolet dealers got Sprint and Spectrum, compared with just 1,561 a year earlier. Also in 1985, some 783 Lincoln-Mercury dealers took on the German-built Merkur.

The import census figures do not reflect Acura or Hyundai dealers, since those cars were not on sale in the U.S. at the beginning of the year.

Ironically, the big jump in the number of import dealers comes at a time when both the Japanese yen and West German D-mark are strengthening against the dollar on world money mar-

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IMPORT FRANCHISES

	Jan. 1, 1986	Jan. 1, 1985
JAPAN	15,962	12,863
Chevrolet	5,050	2,077
Plymouth Captives	3,009	2,980
Dodge Captives	2,927	2,893
Toyota	1,079	1,091
Nissan	1,101	1,106
Honda	879	850
Subaru	819	810
Mazda	767	760
Isuzu	242	215
Mitsubishi	89	81
WEST GERMANY	2,362	1,572
Merkur	783	0
Mercedes-Benz	421	417
BMW	433	419
Audi	408	408
Porsche	317	328
SWEDEN	752	738
Volvo	407	404
Saab	345	334
ITALY	365	382
Bertone/Pininfarina	125	141
Alfa Romeo	144	121
Ferrari	42	61
Maserati	44	48
Lamborghini	10	11
FRANCE	286	302
Peugeot	286	302
UNITED KINGDOM	327	319
Jaguar	167	172
Rolls-Royce	59	63
Lotus	47	40
Aston Martin	13	14
TVR	41	30
YUGOSLAVIA	156	0
Yugo	156	0
MISCELLANEOUS	15	15
TOTAL	20,225	16,191

Joe Wilsmore

AMC President Joseph E. Cappy

Next AMC model could be a Jeep

By Richard Johnson
Detroit Reporter

American Motors' Alliance and Encore, which are scheduled to be dropped after the 1989 model year, could be replaced by a new Jeep model rather than another passenger car.

AMC's new President and Chief Executive Officer Joseph E. Cappy made the statement in an interview with Automotive News, indicating the product decision would come before AMC decided where to build its new assembly plant.

Indeed, the location of a new plant to replace the outdated Kenosha facility that now turns out Alliance and Encore and the Toledo Jeep plant appears

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Chrysler delays new tech center

By Mary Connelly
Detroit Reporter

Chrysler Corp.'s plan to build a $500 million technical center in the Detroit area and boost its developmental capabilities is being delayed until the company receives guarantees that $100 million in road improvements will be made in the area.

Groundbreaking, tentatively planned for this spring, has been postponed until the road issue is resolved by state, county and local governments.

"Groundbreaking may be later in the summer. It depends how long this takes," said Michael Glusac, Chrysler's government affairs director. Chrysler also has refused to hire a project contractor until receiving financing commitments for road improvements.

Chrysler plans to spend $500 million to build a technical center, wind tunnel and small test track on a 500-acre site in Oakland County, north of its headquarters in Highland Park, Mich.

When unveiled to local zoning officials, the project included three million square feet of office and laboratory space. However, Glusac said Chrysler is planning to build only 1.0 million to 1.5 million square feet in the initial construction phase and that no planning is under way for a second phase.

A related supplier park will require additional space, but the size of the project depends on the outcome of negotiations between Chrysler and a number of suppliers.

Chrysler will employ 2,000 at the tech center initially, with employment expected to reach 6,000 to 8,000, Glusac said. Employment at the Chrysler tech center and supplier park is expected to be 8,000-10,000, but could go higher, depending on the number of suppliers that locate in the park, he said.

The project, which will take 2½ to three years to complete, has fueled speculation that Chrysler will

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Rear-drive big cars slipping

By Richard Johnson
Detroit Reporter

Despite a recent plunge in gasoline prices, the long-awaited, long-delayed decline of big American rear-wheel-drive models may finally be at hand.

The standard-sized segment of the U.S. market has shrunk more than 2½ percentage points during the past year and highly profitable, rear-drive stalwarts like the Ford Crown Victoria/Mercury Grand Marquis twins have begun to show signs of age.

The segment took on a new look last November with the addition of its first front-wheel-drive models. General Motors replaced its rear-drive Buick LeSabre and Oldsmobile Delta 88 models with fwd versions. But five of the six rear-drive models remaining in the standard-sized class are running below 1985 sales levels.

Stable gas prices have buoyed full-sized cars during the last 3½ years. Aging, rear-drive platforms have satisfied an appetite among older buyers for big-car ride, room and comfort.

The continuing enthusiasm for those cars has even made it difficult for domestic companies to meet CAFE standards. But recent sales trends suggest that the tide has turned.

Ford sales analyst Ray Windecker said the big rear-drive

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Gilmour tells of myths' ending

By Richard Johnson
Detroit Reporter

Corporate culture is "the in thing to talk about," but a top Ford Motor Co. official insists the much-ballyhooed new culture at Ford is no hype.

"We started to change our corporate culture before it became the fashionable thing to do," said Allan Gilmour, Ford executive vice president and chief financial officer, in an address to the Global Blue-Detroit Michigan Business School Alumni.

With laudatory treatments in several major business publications, Ford has become a corporate culture showpiece at a time when the concept is something of a boardroom craze.

At Ford, "culture" has come to mean a more people-oriented, less authoritarian approach to management that emphasizes "quality" in everything from motor vehicle production to memo writing.

"We had to change the outdated rituals, myths and misunderstanding," said Gilmour, who some believe is a future contender for the chairman's position at Ford.

The concept of corporate culture has largely

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COMPANY MISSION, VALUES, AND GUIDING PRINCIPLES

MISSION — Ford Motor Company is a worldwide leader in automotive and automotive-related products and services as well as in newer industries such as aerospace, communications, and financial services. Our mission is to improve continually our products and services to meet our customers' needs, allowing us to prosper as a business and to provide a reasonable return for our stakeholders, the owners of our business.

VALUES — How we accomplish our mission is as important as the mission itself. Fundamental to success for the Company are these basic values:

- People — Our people are the source of our strength. They provide our corporate intelligence and determine our reputation and vitality. Involvement and teamwork are our core human values.
- Products — Our products are the end result of our efforts, and they should be the best in serving customers worldwide. As our products are viewed, so are we viewed.
- Profits — Profits are the ultimate measure of how effectively we provide customers with the best products for their needs. Profits are required to survive and grow.

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New trial denied in $5-million franchise-loss case

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES—Security Pacific Bank lost its bid for a new trial in a case that awarded nearly $5 million to a former San Diego auto dealer who charged that the bank caused him to lose two franchises in 1980.

In addition to denying the bank's request, the court awarded $200,000 in legal fees to the attorney representing Jim Williams, who owned Baron Buick, San Diego and Viking Dodge, North Hollywood.

The original ruling, which was handed down in early January by Judge Dennis Adams, awarded $4.77 million to Williams and found that the bank had "fraudulently induced" Williams to buy the ailing Viking Dodge store, which led to a chain of events that forced the eventual closing of his Baron Buick store.

The award included $2.5 million in punitive damages, nearly $1.7 million in lost income, $300,000 for emotional distress and $274,000 for a judgment granted Chrysler when Viking Dodge closed.

A spokesperson for Security Pacific said the bank intends to appeal.

In a statement issued with the original verdict, the bank maintained that the judgment "is wrong legally and factually. Security Pacific believes it owes nothing to the claimant. The claimant borrowed money from Security Pacific which was not repaid and is indebted to Security Pacific in an amount in excess of $1 million."

Patrick Frega, the attorney who represented Williams, hailed the decision as a landmark ruling for dealers and their relationship with lending institutions. He said that when banks put themselves in the position of advising dealers on their financial matters, "they have a responsibility, they become your partners."

Williams started in partnership with Mike Chesrown, Theo Lamb and Emanual Bugelli at Baron Buick in 1975 when he was 27. He eventually bought out his partners and was successful in his business.

According to the suit, Security Pacific asked him to help turn around Lamb Chevrolet, another San Diego dealership. While there, problems developed at Baron Buick and he returned to Baron in 1979 and restored the dealership to profitability.

Meanwhile, Bugelli, who owned three dealerships in Los Angeles—Universal Ford, Westchester Ford and Viking Dodge—was selling all three dealerships after Universal Ford was rocked by a local TV station's investigation of selling practices there.

According to Adams' decision, J. Robert Ross, a Security Pacific vice president, advised Williams not to buy either of the Ford stores, but steered him toward Viking Dodge. Adams wrote that Ross originally approved Bugelli's acquisition of the Dodge store because Bugelli needed a "dump" for Universal Ford's repossessions and that the bank hid Viking's last two monthly statements, which showed losses, from Williams prior to the sale.

"Viking Dodge was in serious trouble and the bank officials knew it," Adams said in his decision. "Ross knew that Williams was going into the business undercapitalized."

In addition, "the bank required Williams to sign a personal guarantee on the $225,000 capitalization loan assumed by Williams at Viking Dodge . . . Ross wanted Williams to purchase Viking Dodge so that Security Pacific Bank could be released from Viking Dodge's debt."

Viking Dodge closed in February, 1980, and Williams returned to Baron Buick on a fulltime basis.

By 1980, the entire auto industry was feeling the effects of the downturn caused by the increase in oil prices, and Baron Buick began to run into trouble.

Ross was called in to work out the situation with Williams, but the situation was deteriorating, Adams wrote, because of Williams' experience with Viking Dodge.

Williams deposited some money from a weekend sale in another bank and was holding a check from an investor for additional capital until he could get some assurances from Security Pacific that his dealership would not be shut down. Ross ordered Baron Buick closed for selling cars out of trust and the store was forced into involuntary bankruptcy.

Williams said he was blackballed by the industry, was unable to find work at any other dealership in Southern California and ended up tending bar in Sacramento. He eventually returned to the auto business as manager of a dealership in Denver. He returned to Southern California where he now is general manager of Rancho AMC-Jeep-Renault in San Diego.

NADA reports dealers split on factory relations

Many auto dealers are not satisfied with their experience in dealing with their factories, according to the latest NADA Dealer Attitude Survey.

Results of the survey, published in the April issue of NADA's Automotive Executive magazine, highlight "significant differences" in the way dealers view their factory relations. There were more than 7,000 respondents.

The magazine reported that of the various makes, only Cadillac, Alfa Romeo, Peugeot, AMC and Renault dealer-respondents reported that the value of their franchises did not increase during the past 12 months.

All dealer-respondents except Audi, Mazda, Saab, Mercedes-Benz, AMC, Renault and Jeep expressed dissatisfaction with vehicle distribution.

All respondents except Renault, Subaru, Jeep, Porsche and AMC were satisfied with parts distribution.

In the area of fair and even manufacturer application of policies and procedures, only dealer-respondents handling Subaru, AMC, Nissan, Jeep, Renault, Peugeot and Ford expressed doubt about even-handed treatment.

Only Mitsubishi, Saab, Honda, Mazda and Jaguar respondents believed the manufacturer considered dealer input.

NADA began the semi-annual attitude survey in 1984. The next survey, to be mailed in May, will serve as a point of departure for Project 2000, a NADA official said.

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60th year—No. 5120

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Mercedes-Benz disguises SL 4x4

Hidden Image

Disguised only by a fake plastic nose and taillamp obstructions is the 1987 Mercedes-Benz SL sports car, powered by a 5.5-liter aluminum V-8, driving all four wheels. A computer will switch from rear-drive to 4WD according to conditions. Compared to the current model, the new SL has more of a rake, aerodynamic headlights, a higher rear end and virtually no chrome.

NADA is overhauled at upper level

WASHINGTON—A general reorganization of NADA's upper management will be announced today (March 31) as the association gears up to address what it believes will be extremely competitive times in the retail auto and truck business.

Done under the aegis of the "Dealer 2000" project announced by President James Woulfe at this year's NADA convention, the reorganization is aimed at keeping the association at the cutting edge of developments in the retail business. The project is also designed to make NADA an active participant in any decisions or structural changes in the industry that might affect dealer business.

Named executive director for the association's new Convention & Member Services Division was Stephen R. Pitt, who previously headed the Convention and Exposition Division. He will now also be responsible for NADA and American Truck Dealers membership services and meeting planning.

Named executive director for the association's rapidly expanding 20 Group Consultant Programs was William C. Gourley Jr. Gourley, who has headed the 20 Group programs since fall, will now have the added responsibilities of industry statistics and statistical research.

Doris Werber, formerly director of management education, was promoted to executive director for dealership operations. She will have responsibility for training, management education, the Dealer Candidate Academy, regional consulting, consulting services, Automobile Trade Assn. Executives, Washington conference program and consumer affairs.

Bruce Kelleher, currently executive director of administration, takes on the added responsibilities of internal audits, the Dealer Election Action Council, the Human Resources Division, word processing and the administration of NADA's Charitable Foundation and Sanchez Memorial Fund.

Jake Kelderman, currently a Washington reporter for Automotive News, will join NADA April 7 as executive director of the newly created Industry Affairs Division. He will have responsibility for industry analysis, industry relations, ATD and publications. This group will also play a primary role in the association's Project 2000.

An internal communications task force also was established to look at ways NADA can better use its computers with dealers, other associations and data bases. Norman Raymond, executive director of NADA Services Corp., will head that project.

John Winston, NADA corporate secretary, will assume the additional responsibilities of Charitable Foundation development and long-term charities.

Fleet MPG rises to 27.0

By Jake Kelderman
Washington Reporter

WASHINGTON—Despite lower gasoline prices, Americans continued their quest for more-fuel-efficient automobiles in 1985.

The sales-weighted fuel-economy for the entire automobile fleet rose to 27.0 MPG for the 1985 model year, up from 26.3 MPG for the 1984 model-year.

The gain came from the domestic auto fleet, which boosted its sales-weighted average by 0.8 MPG. Imported cars, on the other hand, gave up 0.8 MPG in fuel economy.

The 1985-model-year figures were 26.0 MPG for domestics and 30.5 MPG for imports

Light trucks also boosted their sales-weighted fuel economy, but only by 0.3 MPG. For the 1985 model year, the level was just under 21 MPG. As in the case of the automobile fleet, the domestic truck makers provided all of the boost, raising their level from 18.9 MPG to 19.4 MPG. Imports, on the other hand, saw their sales-weighted average fall 1.8 MPG, to 26.4 MPG.

The Department of Energy, which keeps track of such things, said the average new car sold in the 1985 model-year was a compact with a 178.8-CID engine, a curb weight of 2,747 pounds, a 102.9-inch wheelbase and interior space of 107.8 cubic feet.

Looking at just the domestic fleet, the sales-weighted engine size has dropped to 196.8 cubic inches, continuing a decline that began in 1978 when engines averaged 297.9 cubic inches.

Average engine size in the import fleet, meanwhile, has continued to grow from the 107.1 cubic-inch average in 1978 to 120.6 cubic inches in the 1985 model year.

Sales-weighted curb weight for the domestic fleet in the 1985 model year dropped to 2,845 pounds, 60 pounds less than in the 1984 model year. In 1978, the domestics' sales- weighted average was 3,401 pounds.

But imports continue to fatten up, raising the sales-weighted average curb weight to 2,429 pounds in the 1985 model year. In the 1978 model year, the sales-weighted average was 2,168 pounds.

Seizing the day in the sports-sedan market

Alfa Milano arrives

By John A. Russell
New York Staff Writer

PHOENIX—Alfa Romeo introduced its Milano sports sedan here last week and made no bones about the fact that the new model is essential to the company's growth in the U.S.

Ernesto Vettore, president of Alfa Romeo, Inc., said the sports-sedan market in the U.S. totals 600,000 units a year. He said Alfa Romeo must "seize the opportunity" in that segment since the sports car market has become nearly saturated.

The Milano will be in dealer showrooms by May as a 1987 model.

Alfa expects to sell 6,000 Milanos by the end of this year. Combined with sales of 4,500 sports cars, that would put Alfa Romeo over 10,000 for the first time in the U.S. Vettore said the goal is 25,000 a year by 1990.

While the Milano is based on the Alfa 75 platform, Vettore and Joseph E. Cooley, director of sales and marketing, said this version is entirely different.

The Milano will be equipped with a 150-HP V-6 engine, and three models will be offered in the U.S. Automatic transmission will be available next February in addition to the standard 5-speed gearbox.

Heavy-duty systems for air conditioning, heating, ventilation and defrosting have been incorporated into the North American version, and there will be a full range of options including sunroof, leather interior, audio systems, power windows and power mirrors. An anti-skid braking system will be standard on the top-of-the-line model.

The three Milano models are the Silver Quadrifoglio, Gold Quadrifoglio and Platinum Quadrifoglio.

The Platinum has the complete range of options as standard equipment, including air conditioning, ABS braking system and sunroof.

Thomas Tooley, director of parts and service, said the new models will have a six-year/60,000-mile limited warranty on rust perforation, which is a first for the company.

An Alfa spokesman said a fourth model, with a 185 HP engine, will be introduced in 1987.

Alfa executives noted that this is the beginning of a concerted effort to reach new markets. The Milano will be followed by another, larger front-wheel-drive sedan called Project 164. That will give Alfa complete coverage in the under-$20,000 segment of the sports sedan market.

In addition, new sports-car platforms are being developed.

According to Vettore, Alfa will concentrate on a sub-segment of the sports sedan market —the under-$20,000 category. That class accounts for 400,000 of the 600,000 units sold annually in the U.S., he said.

Cooley said the direct competitors in that category are Audi, Saab, Peugeot and Volvo. He said the Japanese makes, particularly Nissan, Toyota and Honda, also should be included.

Alfa also is taking aim at BMW and Mercedes-Benz in the over-$20,000 range.

Alfa intends to attract customers for the Milano from three different sources. First, Cooley said, the market is expected to grow at a rate of one to 2 percent per year. Conquest sales are expected and, finally, there will be converts from those already owning Alfa sports cars.

Advertising begins in May with full-page ads in the Wall Street Journal. They will be followed by June advertising in enthusiast magazines and in other publications including Smithsonian, Newsweek and Business Week.

Direct mail also will be used. Another tactic being employed by Alfa is direct mail. Through May, a select group of 50,000 persons will receive three postcards inviting them to come in and see the cars.

Also, Cooley said, dioramas are being set up at airports in 10 major markets. They will be used as "teaser" material and should be completed by the end of this week.

Finally, Alfa's new agency, the Bloom Agency, is working on a new campaign. Cooley said Alfa will use 30-second and 45-second radio spots with the tagline "power in the hands of a few."

Trio seized in payroll heist

MEXICO CITY—Three suspects in the payroll robbery at the Chrysler de Mexico Laga Alberto plant here (Automotive News, Feb. 17) were arrested after a spectacular chase along city thoroughfares.

The film-thriller-type chase began after the suspects' car was stopped by police for a traffic violation and shots were exchanged.

A fourth occupant of the car, who is said to have masterminded the Chrysler robbery, escaped and fled down a crowded street.

The disgruntled suspects told police the gang has 15 members and was responsible for robberies in various Mexican states. Police are seeking the other members.

According to those arrested, the Chrysler haul came to more than $264,000.

The arrested gang members complained that the leader, who posed as a management counselor during the heist, gave them only a small fraction of the stolen money, the equivalent of around $1,500 each, and retained the lion's share for himself.

GM raises prices 2.9 pct.; estimated average is $400

By John K. Teahen Jr.
Senior Editor

General Motors made its expected entry into the price-hike derby last week. It announced that an increase of 2.9 percent will take effect with shipments on April 14.

On the import side, Subaru and Mitsubishi joined the Japanese price-hike procession. Automotive News estimated the average boosts at $519 for Subaru and $407 for Mitsubishi.

GM declined to place a dollar amount on its boost, but Automotive News estimated it at $400. Added to earlier hikes on 1986 models, it means that GM's cars are an average of $950 more than 1985 models.

Last August, GM hiked prices an estimated $400, but that figure did not include its late arrivals—Buick LeSabre and Riviera, Oldsmobile Delta 88 and Toronado and Cadillac Eldorado and Seville. Substantial increases on those models added another $150 to the boost for the overall fleet, according to Automotive News. Fold in the latest $400 and the total bump is $950.

Ford Motor Co. and Chrysler Corp. weren't saying anything about GM's action last week. Good Friday was a holiday in the auto industry, and spokespersons weren't at their phones.

GM listed no model-by-model increases. A spokesman said that information won't be available until shortly before April 14.

GM's action is the first full-fledged price hike by a domestic maker since last fall's introduction period. Ford upped the figures on V-6 and V-8 engines earlier this month, but that was penny-ante stuff, amounting to about $25 when applied to Ford's full range of cars.

In recent months, price increases have been the province of the imports, principally the Japanese.

A price analyst noted last week that by raising its prices, GM has thrown away a chance to regain some of the market share the Japanese have taken in recent years. The Japanese have given up much of their price advantage, but GM will be unable to capitalize fully on the higher Japanese stickers, he said.

GM's reason for the increase was the same as always—"partial recovery of higher labor and other manufacturing costs, as well as the impact of major capital spending and other programs."

GM's price increase will apply to selected options as well as base models. The boosts will not apply to retail sold orders placed with GM dealers through April 12.

Subaru last week announced the biggest hike in the current round of boosts on Japanese cars. Subaru said its increase averaged 4.9 percent. The company did not supply a dollar figure, but Automotive News computed it at $519 on a non-sales-weighted basis.

Mitsubishi checked in with a bump of 3.9 percent. Again, no dollar amount was given, but Automotive News estimated it at $407. It was Mitsubishi's fourth hike of the 1986 model year.

March boosts on other Japanese cars averaged $365 for Honda, $400-plus for Mazda, $455 for Nissan and $466 for Toyota.

Since last spring, Subaru prices have risen an average of $880, or 10.46 percent. But there's a "but."

A year ago, Subaru included dealer prep in its prices. Now, prep is not included. The suggested fee is $144 on the BRAT and $129 on other models. Toyota, Nissan, Honda, Mazda and Mitsubishi prices include dealer prep.

For Mitsubishi, the year-to-year hike averaged $692, or 8.62 percent.

Those increases compare with averages of $1,030, or 10.71 percent for Toyota; $1,023, or 9.58 percent for Nissan; $849, or 10.34 percent for Honda, and $1,225, or 13.59 percent for Mazda (Automotive News, March 24).

For Subaru, last week's hikes ranged from $141 on the BRAT to $627 on the XT Turbo coupe with four-wheel drive and automatic transmission.

Aside from the BRAT and a $212 bump on the base hatchback (now $5,379), Subaru's increases last week were $384 or more per model.

The DL four-door sedan climbed $488 to a new tag of $8,168 and there were bumps of $495 on the base models in the wagon, 3-Door and XT coupe lines. Starting prices now are $8,490 for the wagon, $8,455 for the 3-Door and $9,192 for the XT coupe. Most models went up more than $500.

Mitsubishi last week posted increases ranging from $80 on the Starion LE Turbo sport coupe to $680 on the Galant four-door luxury sedan. The Galant now is $13,899, up $1,670, or 13.66 percent, from a year ago. Galant accounts for about one-fourth of Mitsubishi's U.S. sales.

Mitsubishi Mirage hikes ranged from $210 to $370 last week, with the base two-door hatchback now pegged at $5,869. Tredia four-doors rose $260 to $410 and Cordia two-doors climbed $370 to $430. Starting prices are $7,749 for Tredia and $9,319 for Cordia.

Starion sport coupes advanced only $80-$90. They start at $15,209.

Mid-month car sales retreat from year ago

By Jenny L. King
Detroit Reporter

Domestic new-car sales for March 11-20 were down nearly 50,000 units from a strong year-ago period but were in keeping with those of other years. The mid-March total often has been just over 200,000 units.

The 226,712 deliveries were an improvement over the first 10 days of the month, when 185,904 retail sales were reported. But the mid-March figure was down 17.20 percent from last year's 273,822.

The record for the period is 326,093, set in the recession year of 1981 amid generous factory-to-customer rebate programs.

Year-to-date sales through March 20 numbered 1,661,891, down 4.53 percent from 1,740,801 in 1985.

The recent period's daily-selling rate of 25,190 was off 17.20 percent from 30,425 the preceding year. There were nine selling days in the period both years.

Honda was the only domestic company to report a year-to-year gain. The company increased its share of the market substantially, climbing to 2.22 percent from 1.45 percent. Honda sales were up 26.25 percent, to 5,031 from 3,985.

General Motors reported sales of 123,687, down 14.61 percent from 144,851 last year. Ford Motor Co. was off 22.04 percent, to 58,729 from 75,332. Chrysler Motors sales of 32,085 were down 27.13 percent from 44,030 a year earlier.

American Motors reported estimated sales of 2,100 new domestic Renault and AMC passenger cars. That was a 30.00-percent decline from 3,000 in 1985. Volkswagen sales were down 21.99 percent, to 2,047 from 2,624. Nissan reported sales of 3,033 U.S.-built Sentras.

Honda and GM increased their shares of the market, compared with 1985 levels, while the competition gave ground. Honda was up to 2.22 percent from 1.45 percent. GM advanced to 54.56 percent from 52.90 percent.

Ford slipped to 25.90 percent from 27.51 percent. Chrysler was down to 14.15 percent from 16.08 percent in 1985. AMC skidded to 0.93 percent from 1.10 percent. VW was off to 0.90 percent from 0.96 percent. Nissan, still in its first 12 months in the domestic market, had 1.34 percent for the period.

Sales by make were studded with minus signs. Plymouth was down 37.41 percent, Chrysler was down 15.71 percent and Dodge was down 27.45 percent. Ford was off 24.33 percent, Mercury was down 18.82 percent and Lincoln was off 10.65 percent.

At GM, only Pontiac, up 3.48 percent, pulled ahead of its year-ago total. Buick was down 17.42 percent, Cadillac was down 9.71 percent, Chevrolet was off 1.70 percent and Oldsmobile was down 39.61 percent.

AMC was down an estimated 16.67 percent, Renault was down 31.48 percent and VW was down 21.99 percent. Honda was up 26.25 percent.

Chevrolet Celebrity edged out Ford Escort to take the top-seller spot for the period. Celebrity sales numbered 11,870; the Escort total was 11,350. Chevrolet Cavalier was third at 9,677, followed by standard Chevrolet at 8,072 and Cadillac DeVille/Fleetwood at 6,854.

DOMESTIC SALES

	Mar. 11-20, 1986	Mar. 11-20, 1985
Renault		
Alliance-Encore	1,850†	2,700†
AMC	250†	300†
AMERICAN MOTORS	2,100†	3,000†
Chrysler	10,998	13,048
Plymouth	8,740	13,964
Dodge	12,347	17,018
CHRYSLER CORP.	32,085	44,030
Ford	39,394	52,058
Mercury	14,505	17,868
Lincoln	4,830	5,406
FORD MOTOR CO.	58,729	75,332
Buick	19,622	23,762
Cadillac	8,634	9,563
Chevrolet	47,160	48,020
Oldsmobile	24,445	40,481
Pontiac	23,826	23,025
GENERAL MOTORS	123,687	144,851
VOLKSWAGEN	2,047	2,624
HONDA	5,031	3,985
NISSAN	3,033	0
U.S. INDUSTRY TOTAL	226,712	273,822

†--Estimate

auction directory

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8 theft-marking shifts turned down

By Geoff Sundstrom
Washington Reporter

WASHINGTON—NHTSA has turned down eight petitions asking for various changes in the new Vehicle Theft Prevention Standard.

In denying the requests, NHTSA made clear that it intends to stick by the final rule it issued last October.

NHTSA said the eight petitions were concerned primarily with three major portions of the rule: The methods manufacturers use to identify parts, the numbering system they must use and the ability of gray-market importers to comply with the standard.

Petitioners included the Automobile Importers of America, BMW, Toyota, Mercedes-Benz, Mazda, the FBI, the U.S. Justice Department and the International Assn. of Auto Theft Investigators.

The three law enforcement petitioners asked that NHTSA specifically require that the Vehicle Identification Number (VIN) be stamped into vehicle parts.

NHTSA denied the request, saying that the theft-prevention standard "is required by law to be a performance standard, which is broadly drafted." NHTSA said it must allow vehicle manufacturers a choice of technology, as long as the technology meets the standard.

Toyota and BMW asked that manufacturers be allowed to use random numbers currently stamped on engines and transmissions as VIN replacements.

NHTSA said it refused the request because use of random numbers does not comply with the statutory requirement "that original equipment parts be identified with the full 17-character Vehicle Identification Number."

When told the use of random numbers would not be permitted, BMW said NHTSA seemed to "bend over backwards" for the domestic manufacturers because it approved the current domestic practice of stamping VIN derivatives on engines and transmissions, yet denied importers the use of random numbers.

NHTSA denied the charge. It said the use of VIN derivatives complies with cost-saving provisions of the law and that reconstruction of a full VIN can be made "within several hours with VIN derivatives, while such reconstructions can take several days with random numbers."

AIA asked the agency to clarify whether manufacturers that currently label engines and transmissions with random numbers may continue to do so, in addition to marking the parts with the VIN. NHTSA said the standard does not prohibit the use of both random numbers and the VIN on engines and transmissions.

AIA also asked that NHTSA rescind a provision allowing gray-market importers to comply with the theft-prevention standard. NHTSA said, "This request was denied because NHTSA believes that the specified procedures are consistent with the underlying law and needs of law-enforcement officers, while imposing the least burden on direct importers and purchasers of cars from direct importers."

Mazda asked for clarification on where certain parts should be marked, but NHTSA said it specified only general target areas for vehicle markings to provide "maximum flexibility to avoid unnecessary production burdens and/or costs."

Mercedes-Benz questioned whether current labeling technology would meet NHTSA's requirement that removal of identification labels "discernibly alters the appearance of the area of the part where it was affixed."

NHTSA assured Mercedes-Benz that 3M Corp. has stated that its labels will meet NHTSA's performance requirements used "over any paint used anywhere in the world."

Great Western Systems awards Dallas franchise

PHOENIX—Great Western Systems, Inc., has awarded a franchise for Dallas to Randy G. Shelton, a Dallas auto parts retailer.

Stnaley F. Gordon, Great Western president, said the Dallas franchisee plans to establish a minimum four-acre auction site in the Dallas area.

EDS planning three additions in Detroit area

AUBURN HILLS, Mich.—Electronic Data Systems Corp. plans to build three new facilities near its information processing center in this Detroit suburb.

Planned are two more 75,000-square-foot IPCs and a three-story, 228,000-square-foot command center, which a company spokeswoman called "a very new concept." The center will be part of a new worldwide telecommunications-related system that EDS is building, the spokeswoman said.

She said the command center "will handle a worldwide digital network for integrated image and voice data." Although EDS did not specify, an industry source said that digital services are telecommunications in which numbers transmitted over telephone lines are translated by computer into images.

Presumably, the command center will provide a network of voice and picture communications.

Construction of the second IPC will begin this spring; it is targeted for completion this fall. Timing of construction of the third IPC will be based on business demands, the spokeswoman said.

factories list auction dates

American Motors

April 1—Aptco Auto Auction, Taylor, Mich., and High Point Auto Auction, High Point, N.C.

April 2—Metro Milwaukee Auto Auction, Caledonia, Wis., and Mid States Auto Auction, South Bend

April 3—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

April 4—Floyd Hauhe Auto Auction, Bridgeton, Mo.

April 8—D-A Auto Auction, New Stanton, Pa.

April 9—Kansas City Auto Auction, Kansas City, and Columbus Fair Auto Auction, Obetz, Ohio

Chrysler Corp.

April 1—Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Golden Gate Auto Auction, Fremont, Calif.

April 2—Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala.; Minneapolis Auto Auction, Plymouth, Minn., and Southwest Auto Auction, Phoenix

April 3—Northway Exchange Inc., Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis

April 8—Hatfield Auto Auction, Hatfield, Pa.

April 9—Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; Dallas Auto Auction, Grand Prairie, Tex., and South Seattle Auto Auction, Kent, Wash.

April 10—Fredericksburg Auto Auction, Fredericksburg, Va.

Ford Motor Co.

April 1—Harrisonburg Auto Auction, Harrisonburg, Va., and Indianapolis Auto Auction, Indianapolis

April 2—Northway Exchange Inc., Clifton Park, N.Y.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Golden Gate Auto Auction, Fremont, Calif.

April 3—Nashville Auto Auction, Nashville

April 9—Concord Auto Auction, Acton, Mass., and Columbus Fair Auto Auction, Obetz, Ohio

General Motors

April 1—Dallas Auto Auction, Grand Prairie, Tex.

April 2—Hatfield Auto Auction, Hatfield, Pa.

April 3—Aptco Auto Auction, Taylor, Mich.; Floyd Hauhe Auto Auction, Bridgeton, Mo., and Southwest Auto Auction, Phoenix

April 8—166 Auto Auction, Springfield, Mo.; Denver Auto Auction, Englewood, Colo., and Florida Auto Auction of Orlando, Orlando

April 9—Brasher's Auto Auction, Fontana, Calif., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Nissan

April 17—Nashville Auto Auction, Nashville

Used Car Sales
Auction Averages

March to date	$4,899
Month ago	$4,811
Year ago	$4,937

Model Breakdown
Auction Averages

	MAR., 1986	FEB., 1986	JAN., 1986
1986	$10,126	$10,059	$8,789
1985	$8,737	$8,655	$8,509
1984	$6,250	$6,158	$5,943
1983	$5,301	$5,232	$5,206
1982	$4,179	$4,089	$4,136
1981	$3,393	$3,302	$3,163
1980	$2,493	$2,478	$2,482
1979	$2,243	$2,348	$1,954
Overall Average	$4,899	$4,811	$4,651

Import dealerships soar to record level

Continued from Page 1

kets, making imports more expensive in the U.S..

The overall number of imported-make franchises rose to 20,225 on Jan. 1, 1986 compared with 16,191 one year earlier and 19,897 on July 1.

Naturally, the Japanese-make franchise total showed the largest gain, up 24.3 percent to 15,962 from 12,863 a year earlier.

The addition of the Chevrolet captives once again accounted for most of the increase. All of the other Japanese makes except Toyota and Nissan showed slight increases. The number of Toyota franchises declined from 1,091 to 1,079, while the number of Nissan franchises fell from 1,106 to 1,101. Neither the Nissan or Toyota figures include Hawaiian franchises.

The number of German-make franchises increased 50.3 percent to 2,362 from 1,572, with the new Merkur franchises accounting for 783 of the net gain of 790. Mercedes-Benz and BMW franchises were up slightly, while Audi had the same number of franchises year-to-year and Porsche franchise fell from 328 to 317.

Both Volvo and Saab increased their franchise totals, boosting the Swedish-make figure by less than 2 percent.

An increase in the number of Lotus franchises from 40 to 47 and a gain in the number of TVR franchises from 30 to 41 kept the total number of British-make franchises, 327, slightly above the year-earlier tally of 319, despite lower franchise totals at Rolls-Royce, Jaguar and Aston-Martin.

The 156 Yugo dealers on Jan. 1, created a new-nation category this year.

The Italian and French totals both receded in 1985. Alfa Romeo, up 23, was the only Italian make to report an increase, while Peugeot, the sole French make lost 16 franchises.

The number of dealers able to survive with a single import franchise totaled 2,971 on Jan. 1, 1986, up 4.9 percent from 2,833 a year earlier.

It also was the highest number of import exclusives since the 3,261 reported a decade earlier on Jan. 1, 1976, when VW was still counted among the imports.

Only Mitsubishi reported an entirely exclusive dealer body. However, Honda reported that more than 70 percent of its dealers were exclusives.

Toyota, with 639, had the most exclusives, followed by Honda with 628, Nissan with 593 and Subaru with 313.

The number of import franchised dualed only with other imports also increased last year, to 1,457 from 989 a year earlier, a rise of 47.3 percent.

Another increase came in the number of domestic dealers dualed with non-captive imports, up 45.6 percent to 3,699 from 2,540.

The total number of deals featuring domestic-import duals was up 57.3 percent to 13,535 from 8,605 one year earlier.

The Top Ten in import franchises on Jan. 1, 1986 were Chevrolet captives, 5,050; Plymouth captives, 3,009; Dodge captives, 2,927; Nissan, 1,101; Toyota, 1,079; Honda, 879; Subaru, 819; Merkur, 783; Mazda, 767, and BMW, 433.

Dealership total up 380 for year

The number of dealerships in the U.S. rose slightly in 1985.

At the beginning of this year, the total was 25,104, up 380, or 1.5 percent, over the 24,724 counted on Jan. 1, 1985.

The latest total includes 20,673 dealers carrying domestic lines (Automotive News, Feb. 17)—most dualed with imports—and another 4,431 import-only dealerships.

NEW-CAR OUTLETS
U.S. and Import

	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1957	39,138	n/a
Jan. 1, 1958	39,108	−0.1%
Jan. 1, 1959	37,558	−4.0%
Jan. 1, 1960	36,336	−3.3%
Jan. 1, 1961	34,803	−4.2%
Jan. 1, 1962	33,461	−3.9%
Jan. 1, 1963	33,308	−0.4%
Jan. 1, 1964	33,291	−0.1%
Jan. 1, 1965	33,360	+0.2%
Jan. 1, 1966	33,114	−0.7%
Jan. 1, 1967	31,584	−4.6%
Jan. 1, 1968	31,101	−1.5%
Jan. 1, 1969	31,076	−0.1%
Jan. 1, 1970	30,842	−0.8%
Jan. 1, 1971	30,314	−1.8%
Jan. 1, 1972	30,150	−0.5%
Jan. 1, 1973	30,094	−0.2%
Jan. 1, 1974	29,998	−0.3%
Jan. 1, 1975	29,701	−1.0%
Jan. 1, 1976	29,309	−1.3%
Jan. 1, 1977	27,744	−1.9%
Jan. 1, 1978	28,656	−0.3%
Jan. 1, 1979	28,512	−0.5%
Jan. 1, 1980	27,891	−2.2%
Jan. 1, 1981	26,333	−5.6%
Jan. 1, 1982	25,703	−2.4%
Jan. 1, 1983	24,729	−3.8%
Jan. 1, 1984	24,721	−0.0%
Jan. 1, 1985	24,724	+0.0%
Jan. 1, 1986	25,104	+1.5%

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IMPORT OUTLETS
1957 to 1986

Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,894
Jan. 1, 1963	7,138
Jan. 1, 1964	5,249
Jan. 1, 1965	5,856
Jan. 1, 1966	6,013
Jan. 1, 1967	6,588
Jan. 1, 1968	7,156
Jan. 1, 1969	7,869
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	13,332
Jan. 1, 1974	11,246
Jan. 1, 1975	11,489
Jan. 1, 1976	10,414
Jan. 1, 1977	11,387
Jan. 1, 1978	17,374
Jan. 1, 1978	17,700
Jan. 1, 1979	17,114
Jan. 1, 1980	16,919
Jan. 1, 1981	16,681
Jan. 1, 1982	11,270**
Jan. 1, 1983	10,011***
Jan. 1, 1984	10,096
Jan. 1, 1985	12,427
Jan. 1, 1986	17,966*

*—Alltime high
**—VW counted as domestic in 1982 and subsequent years.
***—Renault counted as domestic in 1983 and subsequent years.

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IMPORTED-CAR RETAIL OUTLETS

	Jan. 1, 1986		Jan. 1, 1985	
Imported cars only:				
Exclusives	2,974		2,833	
Duals	1,457		989	
		4,431		3,822
Import-domestic duals:				
Domestics with captive imports	9,836		6,065	
Domestics with other imports	3,699		2,540	
		13,535		8,605
Total imported-car dealers		17,966		12,427

Notes: Renault and Volkswagen are counted as domestics. Captive imports are Chevrolet Sprint and Spectrum; Dodge Colt, Conquest and Vista; Plymouth Colt, Conquest and Vista; Merkur.

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Ford forms 5 car groups

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES—Ford Motor Co. has restructured its car engineering and planning activities around the program-management concept and has named program managers to oversee the five new car line groupings, Stuart Frey, vice president of car product development announced here.

Frey said the change was made to improve efficiency, quality and coordination of new-car programs. Previously, Ford's product programs had been split into two segments, small and specialty cars and large and luxury cars.

"These five groups will improve operating efficiencies, further cultivate team effort and enhance the concept-to-customer product development process," Frey said. "Each program manager will lead a product-program team that will provide coordination and direction over planning, design, engineering, purchasing, manufacturing, product assurance, sales, marketing and service."

The program managers will report to Louis Veraldi, who recently assumed the newly created position of vice president—car programs management.

The five managers and groups are: Kenneth Dabrowski, small-car and specialty-vehicle programs; John Jay, large-car (rear-wheel-drive) programs; Anthony Kuchta, mid-size specialty-car programs; Roger Maugh, import programs, and John Risk, median and large car (front-wheel-drive) programs.

Frey said the program management approach was first used by Ford in the development of the Taurus and Sable. The program management group, which became known as "Team Taurus," coordinated all elements of the product development process from design through public introduction involving all areas of the company, as well as suppliers and dealers.

"We decided to broaden the concept to embrace all car lines based on the success of Team Taurus," Frey concluded.

$15-million Sentra launch

Nissan will launch its 1987 Sentra with a $15-million campaign that will include both print and broadcast media.

The company said this is its largest-ever model-introduction budget.

In addition to the corporate "The Name is Nissan" tagline, the Sentra TV spots and print ads also will carry a "Bye Bye Basics" position line.

The introductory 30-second spot will debut today (March 31) on the CBS telecast of the NCAA basketball championship and the ABC series, McCormick and Hardcastle.

"The strategy behind this advertising is to point out the many luxury features which are standard in the Sentra," said Robert B. Kent, Nissan marketing vice president.

Additional spots have been scheduled for all three major networks beginning April 1.

The 1987 Sentra print campaign breaks April 7 with a four-color, two-page spread in consumer books like Newsweek, Time, People and Sports Illustrated. It will include monthlies like Cosmopolitan, Esquire, Reader's Digest and Smithsonian, the company said.

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Winning names were selected from a random drawing at the Automotive News Booth #810 at the Society of Automotive Engineers Convention, Feb. 24-28, 1986.

As winners, they will join hundreds of other industry influentials as they chart the future of the car business at the World Congress, July 27-30, 1986.

In its 11th year, the World Congress is an intensive four day program featuring 34 recognized experts from the industry who will discuss a wide range of topics of interest to car dealers, automakers and suppliers.

To find out more about how you can participate in this important industry event, call Sandy de Peyster at Automotive News (313) 446-6000.

Automotive News World Congress
July 27-30, 1986
Hyatt Regency Dearborn

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Production

U.S. CAR	Week Ended March 29, 1986	Week Ended March 30, 1985	Week Ended March 22, 1986	March Est.	Jan. 1, to March 30, 1985	Jan. 1, to March 29, 1986
AMERICAN MOTORS	0	3,719	2,023	5,922	25,988	12,553
Renault Total	0	3,719	2,023	5,922	25,988	12,553
Alliance	0	2,055	1,680	5,111	15,090	11,011
Encore	0	1,664	343	811	10,898	1,542
CHRYSLER CORP.	20,250	31,530	30,695	110,393	334,619	364,573
Plymouth Total	4,850	9,148	8,352	30,519	97,426	100,945
Horizon	1,900	3,538	3,148	11,714	33,644	37,743
Reliant	2,000	3,969	3,657	12,950	44,059	44,678
Caravelle	850	1,288	1,322	4,723	14,970	15,294
Gran Fury	100	323	225	1,132	4,753	3,230
Chrysler Total	7,300	10,134	10,424	36,954	112,958	130,613
LeBaron	1,500	2,370	2,292	8,438	29,980	31,477
LeBaron GTS	1,900	2,447	2,502	6,951	20,781	27,250
Laser	800	1,118	1,108	4,122	12,654	13,031
New Yorker/E-Class	1,200	1,763	1,835	6,373	18,520	19,275
Fifth Avenue	1,900	2,436	2,687	11,070	31,023	39,580
Dodge Total	8,100	12,248	11,919	42,920	124,235	133,015
Omni	2,000	3,788	3,148	11,984	36,042	38,565
Aries	2,000	3,280	2,825	11,281	33,876	33,005
Daytona	800	879	1,027	3,882	11,527	12,362
Dodge 600	1,500	1,653	2,131	7,521	19,097	21,325
Lancer	1,200	1,788	1,922	5,079	15,603	20,664
Diplomat	600	860	866	3,173	8,090	7,094
FORD MOTOR	31,504	34,253	40,090	150,708	450,771	446,675
Ford Division	21,368	21,676	27,574	103,807	296,543	304,555
Escort	6,583	4,386	9,003	32,800	74,332	100,183
Mustang	3,382	4,502	4,162	16,078	45,813	50,395
LTD	0	4,895	0	0	59,727	0
Taurus	5,510	0	6,497	24,556	0	57,373
Thunderbird	2,538	4,012	3,661	13,591	57,893	44,181
Crown Victoria	0	0	0	0	7,122	0
EXP	0	0	0	0	3,838	0
Tempo	3,355	3,881	4,251	16,782	47,818	52,423
L-M Division	10,136	12,577	12,516	46,961	154,228	142,120
Mercury Total	7,184	9,053	8,236	31,781	110,305	95,112
Lynx	977	533	1,337	4,829	18,756	16,898
Capri	311	201	305	1,103	5,151	4,312
Marquis	0	4,038	0	0	29,265	0
Sable	2,581	0	2,975	11,409	0	27,484
Cougar	2,314	3,029	2,452	9,710	36,138	29,910
Grand Marquis	0	0	0	0	4,733	0
Topaz	1,001	1,252	1,167	4,730	16,262	16,508
Lincoln Total	2,952	3,524	4,280	15,180	43,923	47,008
Continental	329	642	477	1,689	7,962	5,367
Lincoln	2,216	2,496	3,209	11,387	31,110	35,265
Mark VI/VII	407	386	594	2,104	4,851	6,376
GENERAL MOTORS	71,844	109,893	93,614	356,780	1,301,844	1,170,365
Buick Total	13,296	21,107	14,844	58,096	245,270	185,886
Skylark (X-car)	0	2,277	0	0	29,976	0
Skyhawk	1,463	2,373	1,843	6,873	26,859	22,099
Somerset/Skylark	1,630	2,734	1,929	7,520	33,053	23,964
Century	3,891	4,115	4,590	18,288	54,775	60,718
Regal	912	2,886	1,525	5,310	26,195	11,808
Wagon/LeSabre (rwd)	296	2,970	368	1,392	34,362	3,432
LeSabre	2,960	0	2,597	10,754	0	25,988
Riviera	880	1,422	540	2,273	16,743	5,368
Electra	1,264	2,330	1,452	5,686	23,307	32,509
Cadillac Total	5,547	8,385	6,946	25,854	100,312	76,531
Cimarron	543	736	715	2,680	7,759	6,371
Seville	370	959	416	1,422	11,322	3,697
Eldorado	530	1,788	574	2,011	20,847	5,217
Cadillac (rwd)	1,632	1,096	2,005	7,666	14,081	20,389
DeVille (fwd)	2,472	3,806	3,236	12,075	46,303	40,857
Chevrolet Total	20,017	37,942	27,507	110,348	463,102	384,571
Chevette	0	3,603	2,178	7,498	42,468	28,880
Cavalier	6,956	11,337	8,568	32,969	126,563	112,389
Celebrity	5,482	6,565	7,286	28,056	76,388	80,571
Camaro	1,704	4,725	2,162	13,716	59,668	55,519
Citation	0	1,797	0	0	21,282	0
Monte Carlo	2,104	3,873	2,623	10,101	40,992	31,445
Chevrolet	3,131	5,040	3,882	14,967	84,814	69,511
Corvette	640	1,002	808	3,041	10,927	6,256
Oldsmobile Total	20,025	28,637	26,643	94,580	328,611	302,418
Firenza	1,077	1,754	1,401	5,048	20,113	13,733
Cutlass Supreme	2,838	6,096	4,108	15,431	51,477	54,170
Cutlass Ciera	3,920	8,612	4,904	19,036	103,140	75,818
88 (rwd)	384	4,124	470	1,663	61,580	6,290
88 (fwd)	6,918	0	9,910	30,707	0	75,503
Olds 98	2,060	3,505	2,679	10,001	37,758	35,107
Calais	2,210	3,491	2,788	11,065	41,999	37,961
Toronado	618	1,055	383	1,629	12,444	3,836
Pontiac Total	12,959	13,822	17,674	67,902	164,549	220,959
Acadian**	0	238	413	1,345	2,935	4,015
2000 Sunbird	2,520	3,127	3,136	11,913	36,760	36,612
1000	0	812	1,193	3,106	8,859	9,419
Firebird	920	2,539	1,114	7,335	32,415	30,236
6000	2,488	779	3,108	12,548	7,047	40,532
Parisienne	1,277	1,080	1,596	4,497	18,159	21,682
Fiero	1,914	2,400	2,225	9,058	28,058	22,883
Grand Am	3,840	2,847	4,889	18,100	30,316	55,580
HONDA	2,720	3,699	3,535	13,266	42,314	44,671
NISSAN	1,160	396	1,758	6,442	336	22,517
NUMMI*	3,250	250	3,250	13,000	405	34,230
VOLKSWAGEN	1,800	2,048	2,030	7,616	25,213	21,993
Total Cars, U.S.	132,326	185,788	176,995	664,187	2,181,490	2,117,577
Total Cars, Canada	20,940	16,982	24,605	93,976	245,551	269,952
N. American Cars	153,268	202,770	201,600	758,163	2,427,041	2,387,529
N. American Trucks	74,134	88,094	94,485	358,421	1,074,673	1,116,072
North American Cars and Trucks	227,402	290,864	296,085	1,116,584	3,501,714	3,503,601

*—Revised estimate. **—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

Auto production passes 2 million

By Kathy Boyer
Detroit Reporter

U.S. auto makers built their two-millionth car of the year last Monday (March 24). Last year, the two-millionth car was assembled on March 25, also a Monday.

With assembly plants closed on Good Friday (March 28), scheduled production of 132,328 units last week was 25.24 percent below the previous week's 176,995.

Last week's targeted output was also 28.77 percent below the year-ago week's 185,788.

Last week's scheduled production was shared as follows: General Motors, 54.28 percent; Ford Motor Co., 23.81 percent; Chrysler Corp., 15.30 percent; New United Motor Mfg., Inc., 2.46 percent; Honda of America Mfg. Co., 2.06 percent; Volkswagen of America, 1.21 percent, and Nissan Motor Mfg. Co., U.S.A., 0.88 percent.

AMC's Kenosha plant was down last week for inventory adjustment.

All assembly plants are closed today (March 31). The holiday is being taken in observance of Martin Luther King Day, which occurred in January.

As previously reported, production of the Oldsmobile Cutlass Supreme and Buick Regal is suspended this week to adjust inventories.

The shutdown on those models affects 1,600 workers, bringing GM's temporary layoffs to 10,300.

Daily overtime is slated this week at all Ford plants except Chicago.

Saturday (April 5) overtime is scheduled at Ford's Wayne (Mich.) and Chicago plants.

Chrysler's St. Louis (No. 2) plant is slated for daily overtime this week.

Production begins April 1 for Omni/Horizon America

Production of the 1987 Plymouth Horizon America and Dodge Omni America models will start tomorrow (April 1) in the Belvidere (Ill.) assembly plant, Chrysler Motors announced.

The company said Belvidere's straight-time production rate will increase to 1,106 units per day from 1,085 units.

Richard E. Dauch, executive vice president—manufacturing, said, "The America models will reduce the permutations of scheduling complexity. There were about 8 million ways an Omni/Horizon could be ordered in the past and we've reduced that to 14 basic product decisions for the customer and to less than 700 total variables for the plant to control.

"We expect to have a dramatic improvement in process capability and repeatability and to improve our quality and productivity while reducing our cost."

The company reduced the number of versions of Omni/Horizon from five to two, monotone and two-tone exterior paint combinations from 14 to six, engine options from four to one and options from 30 to five.

Standard equipment includes 2.2-liter engine, 5-speed manual transaxle, power brakes, electric rear-window defroster, rear-window washer/wiper, cloth and vinyl low-back bucket seats, tinted glass, 13-inch rally wheels, wheel trim rings, glove-box lock, vanity mirror, sport steering wheel, steel-belted radial tires and rally instrument cluster with tachometer, voltmeter, oil pressure and temperature gauges and trip odometer.

The America models will have a Manufacturer's Suggested Retail Price of $5,499. Two discount equipment packages will be available. The $500 Manual Transmission Discount Package includes power steering, console, AM/FM stereo radio, high-back cloth seats and cargo compartment dressup.

The $850 Automatic Transmission Discount Package includes all of the above, plus automatic transmission.

Two additional options are available with either of the discount packages. They are air conditioning and AM/FM stereo cassette radio.

Public introduction is set for May.

CANADIAN CAR	Week Ended March 29, 1986	Week Ended March 30, 1985	Week Ended March 22, 1986	March Est.	Jan. 1, to March 30, 1985	Jan. 1, to March 29, 1986
AMERICAN MOTORS	120	0	115	357	2,752	1,557
FORD MOTOR	9,696	5,453	11,025	42,777	130,934	136,570
GENERAL MOTORS	10,944	11,304	13,240	49,988	109,081	129,154
VOLVO	180	225	225	854	2,784	2,671
Total Cars, Canada	20,940	16,982	24,605	93,976	245,551	269,952

U.S. TRUCK☆	Week Ended March 29, 1986	Week Ended March 30, 1985	Week Ended March 22, 1986	March Est.	Jan. 1, to March 30, 1985	Jan. 1, to March 29, 1986
CHEVROLET	18,435	22,298	25,990	97,021	285,641	306,259
DODGE	6	4,656	2	8	51,068	8
FORD	24,260	26,089	30,178	116,536	299,732	363,062
GMC	7,895	6,799	8,566	31,612	85,859	94,111
NAVISTAR	1,288	1,650	1,605	5,995	19,279	18,417
JEEP	3,400	4,060	3,915	15,763	51,362	54,865
NISSAN	1,898	1,993	2,203	8,268	29,680	18,255
AM GENERAL	50	50	50	200	630	622
MISCELLANEOUS	2,400	1,720	2,400	9,600	24,180	28,600
Total Trucks, U.S.	59,632	69,335	74,909	285,003	847,431	884,219

CANADIAN TRUCK	Week Ended March 29, 1986	Week Ended March 30, 1985	Week Ended March 22, 1986	March Est.	Jan. 1, to March 30, 1985	Jan. 1, to March 29, 1986
AMERICAN MOTORS	650	0	640	2,133	0	2,133
CHRYSLER	6,080	8,916	9,265	33,941	106,568	110,013
FORD	2,984	3,667	3,303	13,490	43,244	42,906
GENERAL MOTORS	4,608	5,922	6,146	23,029	74,548	74,572
NAVISTAR	180	254	222	825	2,882	2,329
Total Trucks, Canada	14,502	18,759	19,576	73,418	227,242	231,853
N. American Trucks	74,134	88,094	94,485	358,421	1,074,673	1,116,072

☆—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

Holiday slows Canadian output

Plant closings on Good Friday cut production in Canada last week.

The auto makers scheduled 20,940 units, 14.90 percent below the previous week's 24,605.

However, last week's production was 23.31 percent better than the year-ago week's 16,982, which reflected downtime at American Motors and Ford Motor Co. plants.

So far this year, 269,952 cars have been assembled, 9.94 percent more than the 245,551 built last year at this time.

Truck makers pegged production at 14,502 units last week, 25.92 percent fewer than the previous week's 19,576 and 22.69 percent below the year-ago week's 18,759.

Year-to-date, 231,853 trucks have been built, 2.03 percent more than the 227,242 completed last year at this time.

Truck production slips to 59,632

Because of the Good Friday holiday, last week's truck production fell to 59,632. It was 20.39 percent below the previous week's 74,909 and 13.99 percent below the year-ago week's 69,335.

Year-to-date, 884,219 trucks have been assembled, 4.34 percent more than the 847,431 completed last year at this time.

All Ford plants except Norfolk are scheduled for daily overtime this week, beginning April 1.

Saturday (April 5) overtime is slated for Ford's Twin Cities plant.

Chrysler hires Italian firm to re-do glass plant

Chrysler Corp. and Societa Italiana Vetro have signed a $44-million contract for the Italian company to modernize the McGraw glass manufacturing plant in Detroit.

The contract is the major part of a $54-million modernization project at the plant.

Societa Italiana Vetro, based in San Salvo, Italy, is a designer, producer and supplier of automotive glass fabricating equipment.

"Over the next three years, SIV will replace virtually all the existing machinery and equipment with advanced systems and processes for glass cutting, grinding, printing, bending, laminating and tempering," said Lee H. Runk, vice president of Chrysler's Component Business Operations.

The plant, built in 1936, has been used for glass fabrication for Chrysler vehicles since 1960.

Runk said the modernization will allow McGraw glass to compete in a world market and sell its products to other auto manufacturers as well as Chrysler.

Production will be uninterrupted because the project will be carried out in three phases at the 423,000-square-foot plant.